

MOTION BY SUPERVISOR MICHAEL D. ANTONOVICH

FEBRUARY 16, 2010

In February of 2007 the Board of Supervisors entered into a Development Agreement with The Related Companies for the Grand Avenue Project. Since that time, the Grand Avenue Authority (the Joint Powers Authority over-seeing the project) has granted the developer three separate time extensions and a separate “tolling” of the construction schedule due to litigation. Three years after the Board’s original approval, there is still no firm project start date. Related officials concede that they have not amassed the \$1 billion in capital necessary to start construction of the Grand Avenue Project.

The Chief Executive Officer is recommending that the Board of Supervisors approve an agreement for development of the Civic Park. Approval of this action would commit the County to expending more than \$50 million to plant trees, expand an existing fountain, and replace parking ramps to an underground parking garage—all on land already owned by public agencies. It only seems fair to ask whether this is a reasonable expenditure of public funds in an environment of decreasing sales and property tax revenues, an existing County hiring freeze, reduced Federal and State aid, and the anticipated “curtailments” to personnel and programs in the County’s 2010-2011 budget.

There are secondary issues associated with the true “costs” and “benefits” of a civic park. The on-going park operations could ultimately become a drain on public funds. These expenses include providing security, programming park activities and events, and maintaining landscaping and irrigation facilities. These future costs should be explored thoroughly before the Board enters into an agreement to lease public land to a private developer. Additionally, the issue of providing free vehicle parking for park patrons should be considered. While this park may be convenient to downtown residents and office-workers, the tax-payers from around the City and County of Los Angeles—the very same individuals who are providing millions of dollars in tax-payer subsidies to the Grand Avenue Project—should not be saddled with paying \$22 to park their car in order to take a walk in the park.

- M O R E -

MOTION

RIDLEY-THOMAS \_\_\_\_\_

YAROSLAVSKY \_\_\_\_\_

KNABE \_\_\_\_\_

ANTONOVICH \_\_\_\_\_

MOLINA \_\_\_\_\_

As mentioned previously, it has been three years since the Board of Supervisors originally approved the Grand Avenue Project. Questions have arisen about the adequacy of the Environmental Impact Report (EIR), in terms of whether the environmental analyses of 2007 are still accurate due to changing conditions. Given that the County and the City have investigated the “adequacy” of older EIR’s for private development projects, it only seems fair to ask the same of this public-private venture involving land owned by the public.

I, THEREFORE, MOVE that the Board of Supervisors:

- Continue this item—the proposed approval of the Lease Lease-Back Agreement and the Funding Agreement for the Grand Avenue Project Civic Park—for at least 60 days, or earlier if the developer commits in writing to a firm construction start date within the next six months; and
- Require as a condition of approving the Lease Lease-Back Agreement and the Funding Agreement that the developer pay the \$250,000 per month penalty imposed by the Grand Avenue Authority when it approved the most recent extension of the project schedule (including penalties previously accrued).

I, FURTHER, MOVE that the Board of Supervisors direct the Chief Executive Officer to:

- Identify all potential costs associated with the operation, programming, and maintenance of the Civic Park;
- Work with the Grand Avenue Authority and The Related Companies to determine how the developer will provide parking, free of charge, to individuals who travel downtown to utilize the park;
- Coordinate a County Counsel review of the Environmental Impact Report to determine whether the document still complies with the California Environmental Quality Act (CEQA).
- Research whether the \$50 million payment to the County can be used for purposes other than development of the Civic Park; and
- Report back to the Board of Supervisors within 60 days.

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